

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on policies and practices for advanced metering, demand response, and dynamic pricing.

Rulemaking 02-06-001  
(Filed June 6, 2002)

**ASSIGNED COMMISSIONER RULING  
DIRECTING UTILITIES TO FILE ADDITIONAL  
2005 PROGRAMS, BUDGETS, AND MEGAWATT GOALS**

On October 15, 2004, Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE) filed their 2005 demand response program plans. On October 29, 2004, SDG&E supplemented its 2005 programs to propose additional reliability triggered programs. By this ruling I direct PG&E and SCE to propose additional reliability triggered programs and associated budgets and megawatt (MW) goals for 2005 by November 15, 2004. By this ruling I direct SCE and SDG&E to propose a budget and MW savings target for a new commercial/industrial load reduction program available to any customer with an interval meter modeled after PG&E's E-SAVE program or SCE's 2004 20/20 program. Each utility shall identify whether it would prefer to implement a program like E-SAVE or 20/20 for its commercial/industrial customers. By this ruling I direct the three utilities to propose new 2005 programs, and associated megawatt goals and budget, for small commercial and industrial customers with time-of-use (TOU) meters and for residential and small commercial customers without TOU or interval meters, similar to the 2001/2002 20/20 program.

## **Background**

In its October 29, 2004 supplement to its 2005 proposed programs, SDG&E identified its concern that additional reliability triggered programs would be needed for its service territory in 2005. I share this concern for the entire state and believe it would be prudent for us to consider both changes to existing reliability triggered programs or additional programs to expand the amount of capacity available to reduce load in emergency situations. Therefore, I direct SCE and PG&E to propose additional reliability triggered programs and/or changes to their existing reliability programs for 2005, incremental to already existing and proposed 2005 reliability and price triggered programs, and the associated budgets and MW goals for each proposed program by November 15, 2004.

In addition, I am concerned that SCE has not chosen to continue its 2004 commercial/industrial 20/20 program for 2005. PG&E is proposing changes to its existing E-SAVE program that targets peak load reduction by the same customers. PG&E estimates its proposed changes to the program will result in demand reduction of 45 MWs. I would like to see both SCE and SDG&E also offer programs targeted at peak load reduction, similar to PG&E's E-SAVE or SCE's 2004 20/20 program. As such, I direct SCE and SDG&E to propose a budget and MW savings target for a new program targeting peak load reduction from customers with TOU and interval meters modeled after PG&E's 2005 E-SAVE program or SCE's 2004 20/20 program. Each utility should identify whether it would prefer to implement a program like E-SAVE or 20/20 for its commercial/industrial customers with TOU or interval meters or a variation of those programs. The utilities should specifically address any concerns they have

about the potential for double payment to customers participating in these programs and other reliability or demand response tariffs or programs.

Likewise, I would like to see customers who do not have TOU or interval meters (primarily residential and small commercial customers) have the opportunity to participate in a program whereby they receive a monetary incentive for reducing their usage during high load periods similar to the 20/20 program that was operated in 2001/2002. The utilities should propose a 20/20-style program for customers without TOU or interval meters along with the associated budget and MW goals. The program proposed should improve upon the 2001/2002 residential and small commercial 20/20 program by addressing concerns raised about those programs, such as cost-effectiveness, free-ridership, and baseline calculation.

The programs that I direct the utilities to propose today shall be filed and served by November 15, 2004 so that we may consider them as part of our comprehensive program review for 2005 programs. Parties may comment on the filings required by this ruling on November 22, 2004. Reply comments may be filed and served by November 29, 2004.

Therefore, **IT IS RULED** that:

1. Southern California Edison Company (SCE) and Pacific Gas and Electric Company (PG&E) shall propose additional reliability triggered programs and/or changes to their existing reliability programs for 2005, incremental to already existing and proposed 2005 reliability and price triggered programs, and the associated budgets and MW goals for each proposed program.
2. SCE and San Diego Gas & Electric Company shall propose a budget and megawatt (MW) savings target for a new program targeting peak load reduction from customers with TOU and interval meters modeled after PG&E's 2005 E-

SAVE program or SCE's 2004 20/20 program. Each utility should identify whether it would prefer to implement a program like E-SAVE or 20/20 for its commercial/industrial customers with TOU or interval meters or variations of those programs.

3. The utilities shall propose a 20/20 - style program for customers without TOU or interval meters along with the associated budget and MW goals that improves upon the 2001/2002 residential and small commercial 20/20 program by addressing concerns raised about those programs, such as cost-effectiveness, free-ridership, and baseline calculation.

4. The programs that shall be filed and served by November 15, 2004, comments shall be filed and served by November 22, 2004, reply comments shall be filed and served by November 29, 2004.

Dated November 5, 2004, at San Francisco, California.

/s/ Michael R. Peevey  
Michael R. Peevey  
Assigned Commissioner

**CERTIFICATE OF SERVICE**

I certify that I have by mail, and by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Assigned Commissioner Ruling Directing Utilities to File Additional 2005 Programs, Budgets, and Megawatt Goals on all parties of record in this proceeding or their attorneys of record.

Dated November 5, 2004, at San Francisco, California.

/s/ Antonina V. Swansen  
Antonina V. Swansen

**N O T I C E**

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